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CRIME STOPPERS OF LAKE CHARLES, INC.

Reviewed Financial Statements

For the year ended December 31, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-16-08

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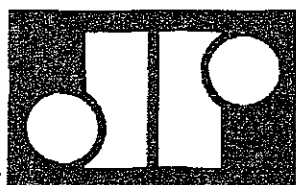
ACCOUNTANTS' REVIEW REPORT

MEMBERS

To the Board of Directors
Crime Stoppers of Lake Charles, Inc.
Lake Charles, Louisiana

Robert G. Dunn
CPA

Sara A. Roberts
CPA



DUNN, ROBERTS
& COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

We have reviewed the accompanying statement of financial position of Crime Stoppers of Lake Charles, Inc. (a nonprofit organization) as of December 31, 2007, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Crime Stoppers of Lake Charles, Inc.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with U.S. generally accepted accounting principles.

Dunn, Roberts & Company, LLC

DUNN, ROBERTS & COMPANY, LLC
Lake Charles, Louisiana

June 25, 2008

Crime Stoppers of Lake Charles, Inc.
STATEMENT OF FINANCIAL POSITION

December 31, 2007

ASSETS

Cash	\$ 73,881
Certificates of deposit	104,716
Receivables, state and local governments	<u>2,200</u>
Total assets	<u><u>\$ 180,797</u></u>

LIABILITIES AND NET ASSETS

NET ASSETS

Unrestricted net assets	
Operating	\$ 66,606
Board designated	<u>3,516</u>
	70,122
Temporarily restricted net assets	<u>110,675</u>
Total liabilities and net assets	<u><u>\$ 180,797</u></u>

See accompanying notes and accountants' report.

Crime Stoppers of Lake Charles, Inc.

STATEMENT OF ACTIVITIES

For the year ended December 31, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Support			
Contributions	\$ 12,425	\$ -	\$ 12,425
State and local government (Act 50)	-	42,765	42,765
Net assets released from restrictions	49,299	(49,299)	-
	<u>61,724</u>	<u>(6,534)</u>	<u>55,190</u>
Revenue			
Withdrawal from certificate of deposit			
Interest income	5,057	-	5,057
	<u>5,057</u>	<u>-</u>	<u>5,057</u>
 Total support and revenue	 66,781	 (6,534)	 60,247
 EXPENSES			
Program services			
Payoffs	4,500	-	4,500
 General and administrative			
Annual banquet	3,790	-	3,790
Dues and subscriptions	5	-	5
Insurance	1,155	-	1,155
Office expenses	647	-	647
Outside services	1,950	-	1,950
Postage	165	-	165
Professional fees	2,500	-	2,500
Promotions	43,503	-	43,503
Telephone	1,830	-	1,830
	<u>55,345</u>	<u>-</u>	<u>55,345</u>
 Total expenses	 59,845	 -	 59,845
 CHANGE IN NET ASSETS	 8,936	 (6,534)	 402
 NET ASSETS, BEGINNING OF YEAR	 63,186	 117,209	 180,395
 NET ASSETS, END OF YEAR	 <u>\$ 70,122</u>	 <u>\$ 110,675</u>	 <u>\$ 180,797</u>

See accompanying notes and accountants' report.

Crime Stoppers of Lake Charles, Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2007

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from contributors	\$ 12,425
Cash received from state and local governments	43,629
Interest received	5,057
Cash paid to suppliers and informants	<u>(59,845)</u>
Net cash provided by operating activities	1,266
CASH FLOWS FROM INVESTING ACTIVITIES	
Deposits to certificates of deposit	<u>(4,920)</u>
Net cash used by investing activities	<u>(4,920)</u>
Net decrease in cash and equivalents	(3,654)
Cash and equivalents at beginning of year	<u>77,535</u>
Cash and equivalents at end of year	<u><u>\$ 73,881</u></u>
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Increase in net assets	\$ 402
Adjustments to reconcile net assets to net cash provided by (used in) operating activities:	
Decrease in accounts receivable	<u>864</u>
Net cash provided by operating activities	<u><u>\$ 1,266</u></u>

See accompanying notes and accountants' report.

Crime Stoppers of Lake Charles, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Crime Stoppers of Lake Charles, Inc. is a corporation organized under the laws of the State of Louisiana for the purpose of promoting community welfare and lessening the burdens of law enforcement agencies by assisting in the apprehension and conviction of criminals through making funds available for use in offering rewards.

The Organization's funding for 2007 was provided by contributions from the general public, violation collections from local courts, and collections received from state and local governments in connection with Act 50 of the 2002 Regular Legislative Session, which amended the Code of Criminal Procedure Article 895.4. Act 50 mandates that all courts assess an additional cost of court of two dollars per offense from anyone convicted of any criminal or traffic offense in any district, parish, city or mayor's court and where a crime stoppers organization exists. The Organization began receiving funds as a result of this Act in October 2002. Funds received under this Act are classified as temporarily restricted until the purpose restriction is accomplished.

Basis of Accounting

The accompanying financial statements are prepared on an accrual basis; therefore, revenue is recognized when earned and expenses when incurred. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Financial Statement Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets of the Organization and changes therein are classified into the following categories:

continued

Crime Stoppers of Lake Charles, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Financial Statement Presentation (continued)

Unrestricted net assets are not subject to donor-imposed stipulations, or the donor-imposed stipulations have expired. The Organization's unrestricted net assets are composed of the following:

Operating: Net assets that are available to fulfill the purpose and administration of the Organization.

Board Designated: Net assets that are designated by the Board and represent unrestricted funds that have been set-aside for a designated purpose.

Temporarily restricted net assets consist of donor-restricted contributions. Amounts restricted by the donor, grantor or other outside party for a particular purpose are recognized as revenue when received and such amounts are reported as temporarily restricted net assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets are those net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

Support and Revenue

The Organization has also adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

continued

Crime Stoppers of Lake Charles, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Use of Estimates

The preparation of financial statements for the Organization in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Income Taxes

Crime Stoppers of Lake Charles, Inc. is an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is presented on the statement of activities. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. Currently, the Organization engages in no activities that would be taxed as unrelated business income.

Donated Services

Crime Stoppers of Lake Charles, Inc. receives free advertising from several companies. The values for these donated services cannot be reasonably determined.

Cash and Cash Equivalents

The Organization considers all liquid investments with an original maturity of three months or less to be cash equivalents. Cash received in connection with Act 50 is required to be held in a separate account.

Certificates of Deposit

Certificates of deposit are carried at market value.

continued

Crime Stoppers of Lake Charles, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2007

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Receivables

The Organization considers all receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If an amount becomes uncollectible, it will be expensed in the period the determination is made.

Environmental Matters

As of December 31, 2007, the Organization is not aware of any violation with respect to environmental issues that need to be considered.

**NOTE B – TEMPORARILY RESTRICTED NET ASSETS AND BOARD
DESIGNATED FUNDS**

As of December 31, 2007, temporarily restricted net assets are available for the following purposes or periods:

Purpose restrictions:

Act 50 - Paying rewards, operation of a
hotline used for receiving information, and
for other purposes directly related to obtaining
information on criminal activities

\$ 110,675

continued

Crime Stoppers of Lake Charles, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE B – TEMPORARILY RESTRICTED NET ASSETS AND BOARD DESIGNATED FUNDS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Purpose restriction accomplished:

Act 50 - purposes directly related to
obtaining information on criminal activities:

Rewards \$ 49,299

Board designated funds are designated for the purpose of issuing rewards for information leading to the conviction of a criminal whose act was arson. The balance at December 31, 2007 was \$3,516.

NOTE C – SUPPORT CONCENTRATION

During the year ended December 31, 2007, the Organization received 71% of its support from collections received from state and local governments in connection with Act 50 of the 2002 Regular Legislative Session, which amended the Code of Criminal Procedure Article 895.4. Act 50 mandates that all courts assess an additional cost of court of two dollars per offense from anyone convicted of any criminal or traffic offense in any district, parish, city or mayor's court and where a crime stoppers organization exists.

NOTE D– CONCENTRATIONS OF CREDIT RISKS

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and certificates of deposit in financial institutions. Cash and certificates of deposit with one financial institution exceeded federally insured limits at December 31, 2007 by \$44,199.

NOTE E – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Directors
Crime Stoppers of Lake Charles, Inc. (a nonprofit
organization)
Lake Charles, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated in Appendix A, which were agreed to by the management of Crime Stoppers of Lake Charles, Inc., and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Crime Stoppers of Lake Charles Inc.'s compliance with certain laws and regulations during the year ended December 31, 2007 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described in Appendix A either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Crime Stoppers of Lake Charles, Inc., and the Legislative Auditor (State of Louisiana), and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

DUNN, ROBERTS & COMPANY, LLC

Lake Charles, Louisiana
June 25, 2008

APPENDIX A

CRIME STOPPERS OF LAKE CHARLES, INC. AGREED-UPON PROCEDURES

December 31, 2007

A. FEDERAL, STATE, AND LOCAL AWARDS

Determined the amount of federal, state and local expenditures for the fiscal year, by grant and grant year.

No grants of public funds were received this year.

B. MEETINGS

Examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Crime Stoppers of Lake Charles, Inc. is not subject to the above referenced open meeting law.

C. COMPREHENSIVE BUDGET

For all grants exceeding five thousand dollars, determined that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

No grants of public funds were received this year.

D. PRIOR COMMENTS AND RECOMMENDATIONS

Review any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

There were no reported prior year comments or recommendations.

JUN/25/2008/WED 03:42 PM NICHOLS CONSTRUCTION FAX No. 882587C

P. 002

Jun. 25. 2008 3:40PM

No. 3772 P. 2

**CRIME STOPPERS OF LAKE CHARLES, INC.
LOUISIANA ATTESTATION QUESTIONNAIRE**

January 30, 2008

Dunn, Roberts & Company, LLC
724 Kirby Street
Lake Charles, Louisiana 70601

In connection with your review of our financial statements as of December 31, 2007 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representation).

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐ N/A

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐ N/A

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐ N/A

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐ N/A

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law). *Exempt.*

Yes ☐ No ☒ N/A

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Yes ☐ No ☒ N/A

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P. 003

Jun. 25. 2008 3:40PM

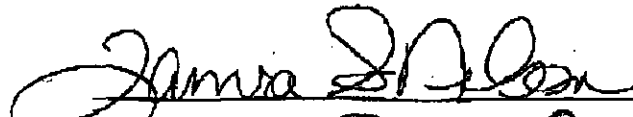
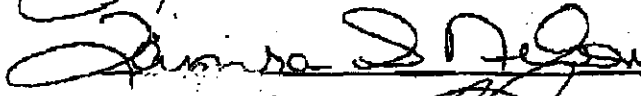
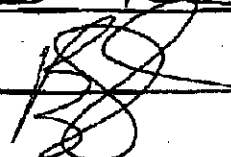
No. 3772 P. 3

Prior Year Comments

We have resolved all prior-year recommendations and/or comments,
Yes ☒ No ☐ N/A

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

 Secretary 6-25-08 Date
 Treasurer 6-25-08 Date
 President 6-25-08 Date